DEBC604

Reg. No.

VI Semester B.Com. (Regular/A&F) Degree Examination, June/July - 2026

COMMERCE

Indian Accounting Standards

(NEP Semester Scheme F+R)

Time : 2½ Hours **Maximum Marks : 60**

Instructions to Candidates:

Answers should be written in English only.

SECTION - A

Answer any **Five** sub-questions. Each sub-question carries **2** marks. **(5×2=10)**

1. a) Expand IASC and MCA.

b) List two limitations of IFRS.

c) A club charges Rs.1,00,000 as entrance fee. An additional annual fee of Rs.20,000 is charged for using the club facilities. Can Mr. A recognise the entrance fee as revenue upon receipt?

d) What are non - current assets? Give two examples.

e) Give the meaning of Interim Financial Statement.

f) Who are Key Management Personnel?

g) Give the meaning of Non - Controlling Interest.

SECTION - B

Answer any **Four** of the following questions. Each question carries **5** marks. **(4×5=20)**

2. State five limitations of accounting standards.

3. Calculate the borrowing cost in the case of Prashanth Ltd., a distillery unit.

a) 6 Crores arranged by 10% Debentures repayable after 8 years, 2 Crores by 8 years loan from IFCI and 2 Crores from OD with Canara Bank. The IFCI interest is 9% p.a. and OD interest is 13% p.a.

b) The cost of issue of debentures is Rs.20 lakhs.

c) The service charges for IFCI loan and consultancy charges together amounted to 5% of the loan.

d) Debentures repayable at 5% premium.

4. From the following Trial balance of Babu Co.Ltd., as on 31st March 2024. Prepare a statement of P & L Account as per schedule III of the Companies Act.

Particulars	**Amount Rs.**
Sales	6,00,000
Employee benefit expenses	25,000
Depreciation and Amortisation expenses	25,000
Tax during the year	40,000
Cost of materials	50,000
Purchase of stock in trade	75,000
Other income	1,00,000
Opening stock	1,00,000
Closing stock	1,25,000

5. State the disclosure requirements of Operating Segments under IND AS - 108.

6. What are the scope and disclosure of related party as per IND AS - 24.

SECTION - C

Answer any **Two** of the following questions. Each question carries **12** marks. **(2×12=24)**

7. a) Varun Traders purchased a plant from Sanjay Ltd. 30-9-2023 with a quoted price of Rs.200 lakhs. Sanjay Ltd. offer 3 months credit with a condition that discount of 1.5% will be allowed if the payment were made within one month. GST is 14% on the quoted price. Company incurred 2% on transportation cost and 3% on erection cost of the quoted price. Pre - operative cost amounted to Rs.2 lakhs.

   Estimated life of the plant is 8 years

   Residual value of the plant is Rs. 20 lakhs.

   i. Calculate the original cost of the plant

   ii. Carrying amount of the plant on 31-3-2024

   b) Narender Limited has a carrying value of Rs. 2 Lakhs. An impairment review shows that the recoverable amount is Rs. 1.1 Lakh and that the intangible assets have a net realisable value of Rs. 20,000. The assets making up of Narender Limited is as follows :

Particulars	**Rs. In Lakhs**
Good will	30
Intangible asset	50
Tangible asset	120
	2 lakhs

   Calculate impairment loss and show how this would be allocated.

8. a) From the following details prepare others comprehensive income for the year ended 31st March, 2024 of Puneeth Ltd.

Particulars	**Amount Rs.**
Gains on property revaluation	10,000
Losses on investment in equity instruments	(24,000)
Remesurement losses on defined pension plans	(600)
Share of Gain on Property Revaluation	1,000
Income tax related to items that will not be reclassified	5,000
Items that may be reclassified subsequently to profit or loss :	
Exchange difference on translating foreign operations	4,000
Cash flow hedges	(600)
Income tax relating to items that may be reclassified	(1,000)
Profit for the year	50,000
Non - Controlling interest	4,800

b) State the Heading and Sub-Heading as it would appear in the balance sheet as per schedule III, of companies act of 2013.

i. Bank Overdraft
ii. Loose tools
iii. Prepaid Insurance
iv. Bills Receivable
v. Trade Marks
vi. Sinking Fund

9. a) From the following Balance Sheet of Ram Ltd., as on 31-03-2023

Particulars	**Amount Rs.**	**Amount Rs.**
Assets :		
Non - Current Assets :		
Land and Building		10,00,000
Plant and Machinery		5,00,000
Current Assets		
Stock	5,00,000	
Debtors	3,00,000	
Bank	2,00,000	10,00,000
Total		**25,00,000**
Capital and Liabilities		
Shareholders Fund		
Share Capital		8,00,000
Reserves and surplus		
P & L A/c	3,00,000	

Reserve	2,00,000	
Share premium	2,00,000	7,00,000
Non - Current Liabilities		
5% Debentures		5,00,000
Current Liabilities		5,00,000
Total		**25,00,000**

* Minorities hold 30% of shares of voting rights and shares in Ram Ltd.,
* All shares were acquired during the financial year 2022-23.
* Fair value of land and building is Rs. 12,00,000 and that of Plant and Machinery is Rs. 4,00,000 which are to be brought into books for calculation of interest of parties.

Calculate Non - Controlling Interest (NCI) as per IND AS 110.

b) The following are the Balance Sheets of P Ltd. and Q Ltd. as on 31-03-2024

Liabilities	**P Ltd. (Rs.)**	**Q Ltd. (Rs.)**
Share Capital of Rs.10 shares	16,00,000	8,00,000
Reserves on 01-04-2023	80,000	1,20,000
P & L A/c	4,00,000	3,20,000
Current Liabilities	2,80,000	3,20,000
Total	**23,60,000**	**15,60,000**
Assets	**P Ltd. (Rs.)**	**Q Ltd. (Rs.)**
Plant & Equipment	8,00,000	11,20,000
Investments in shares of Q Ltd (60,000- shares)	8,00,000	--------
Current Assets	7,60,000	4,40,000
Total	**23,60,000**	**15,60,000**

P & L A/c of Q Ltd. stood at Rs.1,20,000 and 01-04-2023.

P Ltd. acquired shares of Q Ltd. on 01-01-2024

Calculate the cost of Control/Capital Reserve.

SECTION - D

Answer any **One** of the following question. Which carries **6** marks. **(1×6=6)**

10. List out any Six IND AS.

11. Prepare with imaginary figures Statement of P & L.